

The Mixed Embeddedness of Ethnic Entrepreneurs in a New Immigrant Gateway

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In this research the concept of mixed embeddedness is used to analyze how economic and political opportunity structures and the group characteristics of Ethiopian and Bolivian immigrants have affected the establishment and development of their businesses in metropolitan Washington, DC. The study relies upon interviews, focus groups, census data, and mapping to assess the entrepreneurial activities of both groups. As a relatively new immigrant destination, metropolitan Washington lacks many of the institutional supports found in older gateway cities. Our findings show that Bolivians and Ethiopians entered into entrepreneurial activities due more to experiences of blocked mobility and labor market segmentation than due to ethnic enclave formation. In addition, their settlement and associations within particular jurisdictions in the region played a significant role in their social and economic integration as entrepreneurs. The study concludes with an assessment of mixed embeddedness as a valuable lens from which to understand entrepreneurship at the metropolitan scale.

KEYWORDS *Ethnic entrepreneurship, immigrant entrepreneurs, Washington, DC, Bolivian immigrants, Ethiopian immigrants, mixed embeddedness*

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INTRODUCTION

This study examines the role of immigrant entrepreneurship in a relatively new but increasingly significant immigrant gateway—metropolitan Washington, DC.¹ By focusing on entrepreneurship among recent immigrants in a newer urban destination, this research builds upon an extensive scholarship on the socioeconomic integration of urban immigrants and their ethnic economies (Light & Bonacich, 1991; Aldrich & Waldinger, 1990; Li, 2001; Zhou, 2004; Pandit & Holloway, 2005; Kaplan & Li, 2006; Hiebert, 2002; Johnston, Trlin, Henderson, & North, 2006). While there is considerable literature about entrepreneurship by a particular group in a particular city, there are relatively fewer studies that compare entrepreneurial strategies and outcomes between very different groups (for examples see Johnston et. al, 2006; Bohon, 2005). Finally, in the U.S. context where there are no centralized immigrant integration policies, the development of entrepreneurship by immigrants can be greatly influenced by the opportunities or constraints imposed by local governments within metropolitan areas. This study highlights the importance of local political processes and institutions with regards to immigrant incorporation or exclusion.

This study utilizes the concept of mixed embeddedness put forward by Kloosterman and Rath (2001) to understand how local contexts influence entrepreneurial strategies and outcomes. By mixed embeddedness we refer to both the *concrete embeddedness* of immigrants through their social networks and the *abstract embeddedness* of immigrant entrepreneurs in local socioeconomic and political institutions (Kloosterman & Rath, 2001, p. 190). The idea of mixed embeddedness can be scaled up from the neighborhood to transnational linkages. In this research, we are interested in examining the mixed embeddedness that occurs within a large metropolitan area with numerous political jurisdictions. To do this we focus our study on two recent immigrant groups—one African (Ethiopian) and one Latino (Bolivian)—and contrast their entrepreneurial strategies within the distinct opportunity structures that exist in metropolitan Washington.

Over the past two decades, immigrant entrepreneurs have added to the economic landscape of metropolitan Washington. As of 2006, the city was home to over 1 million foreign-born residents, making it the seventh largest urban immigrant destination in the U.S., in which one-in-five residents is foreign born (U.S. Census Bureau, 2006). Moreover, the metropolitan area's immigrant population has grown relatively quickly and is remarkably diverse, attracting a wide range of high-skilled and low-skilled workers to the region's robust telecommunications, information, security, biotechnology, service, and construction sectors. While they are not the largest immigrant communities in Washington, the metropolitan area is the primary destination in the U.S. for both groups and Ethiopia and Bolivia are among the top ten sending countries to the metropolitan region.

In this paper we analyze the opportunity structures, group characteristics and strategies of Ethiopian and Bolivian immigrants as they become embedded in the metropolitan economy of Washington. Specifically, we investigate (a) where and how immigrants create businesses (b) the sectors of the economy in which they are active, (c) the role of group characteristics in creating entrepreneurship and (d) the opportunity structures that particular localities in the metropolitan area provide. We believe there is value in studying entrepreneurship in newer destinations and amongst immigrant groups that are not usually known for their entrepreneurial capabilities.

LITERATURE REVIEW

There is a growing and diverse literature focusing on the economic, demographic, social and political impacts of immigrants upon major urban destinations in the world (Price & Benton-Short, 2008; Fonseca, 2008; Singer, Hardwick, & Brettell, 2008; and Hanley, Ruble, & Garland, 2008). Within this literature there is a robust discussion of how and why immigrants become entrepreneurs and the visible social and economic impacts they have on the urban landscape (Aldrich & Waldinger, 1990; Light & Bonacich, 1991; Li, 2001; Zhou, 2004; Kaplan & Li, 2006; Oberle, 2006; Wang & Li, 2007).

It is well documented that rates of self-employment are higher among the foreign-born than the native born in the United States (Borjas, 1986). The “enclave thesis” and “blocked mobility thesis,” both of which have efficacy, are widely used to explain the prevalence of self-employment among immigrants. The enclave thesis stresses that immigrant entrepreneurship often stems from the demands for goods and services from the immigrant community itself, especially when it is spatially concentrated. In cities as diverse as New Orleans (Airriess, 2006), Los Angeles (Li et. al., 2006), and Toronto (Lo, 2006; Teixeira, 2006) scholars have demonstrated that immigrants turn to co-ethnics in forming ethnic economies. The blocked mobility thesis emphasizes that immigrants often create their own jobs/economy because they have been limited in some way by the host society’s employment structure or prejudices. Entrepreneurship may be the most likely employment option if an immigrant’s credentials are not recognized, language skills are limited, or if racial/ethnic prejudices negatively influence job opportunities.

In a similar vein, Chaganti and Greene (2002) distinguish between *immigrant entrepreneurs*, recent arrivals who establish businesses as a means of economic survival, and *ethnic entrepreneurs* whose businesses are based on interactions and connections among people with a common heritage. The distinction between immigrant entrepreneurs and ethnic entrepreneurs is not precise and many entrepreneurs engage in both practices.

Once individuals or groups become entrepreneurs, other social, institutional and spatial factors influence their relative success. In this study we

use a modified version of the framework suggested by sociologists Aldrich and Waldinger (1990) that stresses: (a) opportunity structures, (b) group characteristics, and (c) group strategies. In addition we are persuaded by the concept of 'mixed embeddedness' proposed by Kloosterman and Rath (2001) as a way of appreciating locational and scalar aspects of immigrant entrepreneurship within a diverse metropolitan area. Focusing on the uneven or mixed embeddedness of immigrants leads to a closer analysis of local market conditions, opportunity structures, and institutional controls that may vary considerably within the same metropolitan region. Thus, while an immigrant business may function very well in an ethnic enclave, it may not be capable of expanding services to a broader metropolitan or national market. Similarly, a new immigrant group may engage in, and in time dominate, an occupational niche that was once filled by native-born residents. Institutional programs and policies created and enforced by local jurisdictions (say a county or town ordinance) are also extremely important in encouraging or discouraging entrepreneurship in particular localities. In a metropolitan setting such as Washington, that has long experienced white/black racial divisions and segregations, the relatively large and recent influx of ethnically diverse immigrants from Asia, Africa, and Latin America, complicates the influence of race/ethnicity in the residential, economic and social opportunities available to immigrants (Friedman, Singer, Price, & Cheung, 2005).

METHODOLOGY

This research relies upon a mixed methodology of quantitative and qualitative approaches to map out the strategies and successes of immigrant entrepreneurs in an immigrant gateway. Census data on the Ethiopian and Bolivian foreign-born, and settlement patterns of these two communities were used to ground this research and identify areas of immigrant investment. Qualitative methods such as focus groups and in-depth interviews were employed to understand the motivations, experiences and subjectivities of immigrant entrepreneurs belonging to these two groups. In this study, we equated immigrant-owned businesses with entrepreneurship and surveyed areas known for concentrations of ethnically-owned businesses to make our initial contacts.

Focus group (FG) discussions were held separately for Bolivians (11 participants) and Ethiopians (6 participants). The rationale in FGs was to allow group members to discuss the issues, trajectories and concerns of entrepreneurship among themselves, with guidance from the facilitator/moderator. In the case of the Bolivians, the focus group was conducted mostly in Spanish while the Ethiopian focus group was conducted in English only. At the end of each focus group, participants were asked to identify places on a Washington area map where members of their community lived

and where they believed the best business opportunities were for their ethnic group.

During in-depth interviews with individual entrepreneurs, in addition to closed-ended questions that elicited personal information including length of stay, level of education, place of residence, and the kinds of jobs s/he held before and after moving to the U.S., open-ended questions were also asked. The latter provoked a discussion of the participant's perceptions, understandings and narratives on being an immigrant entrepreneur. Details on the person's experiences leading to settling in Washington and starting a business in the area were investigated, as were the reasons behind establishing a particular kind of business, where and how the person obtained financial capital for the venture and the population group(s) that the business catered to and drew upon for its employees.

Washington as an Immigrant Gateway

The Washington metropolitan region is now considered an immigrant gateway, one that saw a sudden rise in its foreign-born population only in recent decades (Singer, 2004), but which has evolved into one of the top immigrant destinations in the U.S. (Price & Singer, 2008). Between 1980 and 2000, the Washington Primary Metropolitan Statistical Area's (PMSA's) foreign-born population increased by approximately 228%. Nearly half of the area's growth over the 1990s can be attributed to net international migration (U.S. Census Bureau, 2000). The area's foreign-born population, which hails from all over the world, continues to swell and stands at 1.06 million (U.S. Census Bureau, 2006). Greater Washington is also an important receiving area for refugees (Singer & Wilson, 2006). The top sending country to the metropolitan area is El Salvador, followed by India and Korea. Immigrants from Bolivian and Ethiopia are comparable in size (around 30,000) and each account for approximately 3% of the foreign-born population.

Recent figures indicate that Latin America is the largest sending region with 417,885 persons accounting for 39% of foreign-born in the metropolitan area. Latin America is closely followed by Asia, which accounts for 36% of the foreign-born, while Africans comprise 14% of the foreign-born population in the area (U.S. Census Bureau, 2006). Making up one-fifth of the area's total population, immigrants have a noticeable presence and have altered the metropolis' landscape in conspicuous ways. They have built places of worship, established ethnic stores, restaurants and services for their communities, become involved in host country politics and taken up jobs that range from low-end construction and service-sector work to high-end professional services.

Most of the foreign-born in the area live in suburban neighborhoods that are more homogeneous in terms of socioeconomic status than ethnicity or nationality (Price, Cheung, Friedman, & Singer, 2005). Although immigrants

have contributed to the population of the District of Columbia (the urban core), they are more likely to settle in the inner suburban areas of the neighboring states of Virginia and Maryland, particularly in Arlington and Fairfax counties in Virginia and Montgomery and Prince George's counties in Maryland. The suburban nature of immigrant settlement in Washington that straddles county and state jurisdictions suggests that differences in local government structures can play a significant role in the social and economic integration of immigrants. More interesting still, is that many of these counties that have very high foreign-born numbers are also some of the wealthiest counties in the United States which are capable of providing services to immigrant newcomers should they decide to do so.

THE OPPORTUNITY STRUCTURES IN METROPOLITAN WASHINGTON

For most of the 20th century, Washington lacked the immigrant support systems that newcomers rely upon in older immigrant gateways such as New York and Chicago (Singer, 2004). Immigrant groups in this area have therefore carved social and economic niches in a metropolitan region that was practically a *tabula rasa* in terms of prior immigrant involvement. What makes Washington an important case study is that it is emblematic of what has been called a 21st century immigrant gateway where the majority of immigrants settle in the suburbs rather than the urban core. Of course, the suburbs are also where the majority of metropolitan residents live, and increasingly work, taking advantage of employment opportunities in the service sector, construction, and technology fields (Singer et al., 2008)

In this metropolitan area with no pronounced immigrant enclaves in the urban core, the highest concentrations of immigrants occur in the inner suburbs of Virginia and Maryland. Figures 1 and 2 respectively show the distribution of Ethiopians and Bolivians according to Census 2000. Although similar in their distribution, the Ethiopians have pockets of concentration in the District of Columbia whereas there are few Bolivians in the central city. The Bolivians are more concentrated in the northern Virginia suburbs while the Ethiopians are found in the inner suburbs of Virginia and Maryland. Both groups tend to co-settle in areas popular with other immigrant groups, so that no exclusive residential enclaves exist for either.

A few Ethiopians and Bolivians began settling in Washington in the late 1960s and early 1970s but it was not until the 1980s that their numbers began to grow. Over the years the Washington area has emerged as the major destination in the U.S. for both these groups.² When Bolivians began to arrive there were relatively few Hispanics in the metropolitan region, so there was little direct competition for jobs with other Hispanics (especially in construction work and childcare). The early Bolivian immigrants were mostly

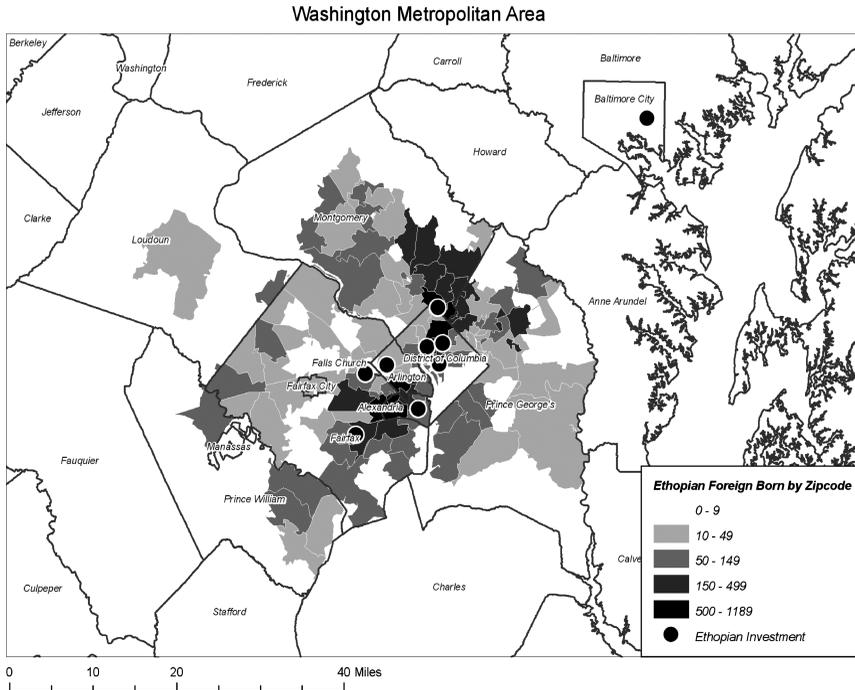
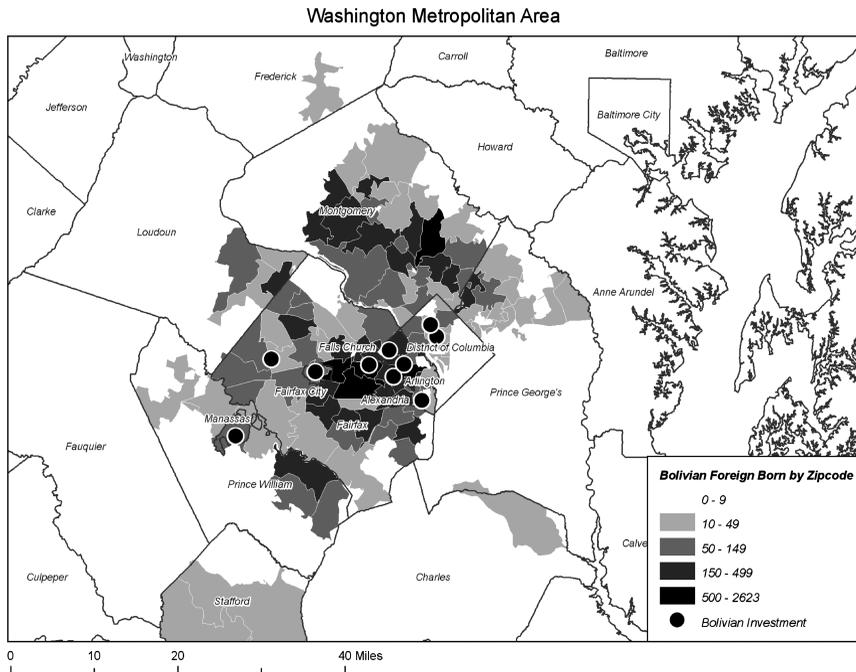


FIGURE 1 Prospective Business Sites and Immigrant Settlement of Ethiopians.

of European ancestry and middle class but today's Bolivian population is representative of Bolivia's multi-racial society of mixed Indian and European ancestry from across the socioeconomic spectrum. In contrast, Ethiopian immigrants are characterized as Black. Even though early arrivals were mostly refugees, as a group they had relatively high educational levels and came primarily from middle class backgrounds. Compared to many native-born Blacks, Ethiopians had a greater store of human capital but they also struggled against blocked mobility because many of their foreign credentials were not recognized in the U.S.

Once established in metropolitan Washington, Ethiopian and Bolivian populations grew through family reunification policies, some refugee resettlement (for Ethiopians), and the introduction of the diversity visa in 1990 which allowed skilled and educated persons from non-traditional source countries (such as Ethiopia and Bolivia) to enter a visa lottery.

The numbers of foreign-born Ethiopians and Bolivians are comparable. People reporting Ethiopian ancestry were estimated at 29,276 by the U.S. Census, while community leaders place the number at over 100,000. The Bolivian foreign-born population in the region is estimated at 32,344, although the Bolivian Embassy in Washington believes the actual population is two to three times larger (U.S. Census Bureau, 2006).



Ethiopian and Bolivian immigrants have worked to deepen and formalize their connections with key personal in local governments where their communities and businesses are located. For Ethiopians this has led to close involvement with the government of the District of Columbia, whereas Bolivians have focused more engagement with the governments of Arlington and Fairfax counties. The rising presence of African immigrants, in a city where Blacks are the majority, led to the creation of the District of Columbia Mayor's Office on African Affairs (OAA) in 2006, an action that was spearheaded by Ethiopian activists. The mission of the OAA (whose director is of Ethiopian origin) is to assist African immigrants in the city to gain better access to Washington, DC government services, particularly in the areas of business enterprises and health services.

Bolivians, who are concentrated in Arlington County, have worked with county officials to gain support and political recognition. Arlington is a close-in county where one-in-four residents are foreign born. It has over the years run various facilities to assist newcomers in job training and community building. A decade ago, Arlington County supported the formation of *Escuela Bolivia*, a weekend Spanish language and cultural program run by Bolivian volunteers but held in a Arlington public school. The county also elected a Salvadoran immigrant, Walter Tejada, to its County Board in 2003. In 2007, Tejado pushed through a county Statement of Inclusion that stressed diversity

as an asset and encouraged elected officials in other nearby jurisdictions to promote immigrant integration regardless of legal status. Finally, in 2008, a Bolivian-born educator, Emma Violand-Sanchez was elected to the Arlington School Board. This was the first time that a Bolivian immigrant has been elected to a local office.

In their ability to work with and gain recognition from local governments, Bolivians and Ethiopians were somewhat fortunate to focus their businesses and residences in counties that have worked toward including diverse groups and supporting immigrant entrepreneurship. In contrast, the levels of acceptance and inclusion is notably weaker in some of the outer suburbs of metropolitan Washington (especially Prince William and Loudoun counties) which also experienced a very rapid growth in their foreign-born population. Here immigrants, particularly Hispanics, have recently experienced marginalization and hostility from native-born residents who worry that the growing Hispanic population is largely undocumented. In the case of Prince William County, Virginia, a county ordinance was passed in July 2007 that allowed local police officers to ascertain the legal status of people detained for any violation. The resulting crackdown on the undocumented has led to many ethnic enterprises either losing business or closing altogether. Anecdotal evidence from newspaper reports and interviews suggests that many Latino immigrants have left this county for friendlier jurisdictions (Singer, Wilson, & DeRenzi, 2009).

Group Characteristics

Neither Bolivians nor Ethiopians are traditionally noted for their entrepreneurship in the ways that some Chinese and Indian immigrants groups are celebrated for their business acumen (Wilson & Portes, 1980; Sowell, 1981). This is especially true for the Ethiopians, who are mostly ethnic Amharas and Christian. As a group, the Amhara Christians in Ethiopia were primarily employed in agriculture and the military. However economic and social circumstances in the United States have drawn both Ethiopians and Bolivians towards entrepreneurship.

In the Washington context, the business activities of Bolivians and Ethiopians exemplify those of immigrant entrepreneurs and ethnic entrepreneurs. Immigrant-owned businesses that cater to co-ethnics (ethnic food stores, travel agencies and real estate brokers) but also serve the general population (construction sector, domestic services, and restaurants) have flourished. However, the circumstances under which each group arrived are significantly different. The tumult of the socialist revolution in the 1970s and later conflicts, spurred many Ethiopians to seek asylum in the United States (Chacko, 2008). Due to resettlement programs, the Ethiopian refugees often receive some financial support in their move to the U.S. In contrast, most Bolivians came as economic migrants, fleeing hyperinflation in the early

1980s and the country's continued economic decline in the 1990s. Bolivians relied upon family and migrant networks in settling in the Washington area rather than government help.

In general, Ethiopian and Bolivian immigrants tend to be well educated. In the case of the Ethiopians (including refugees and asylum seekers), many possessed college degrees and had fairly good communication skills in English, which helped in their transition to the U.S. The average level of education for Bolivians is comparable to U.S. averages, and in some cases higher (U.S. Census Bureau, 2000).³ When compared to other Latino immigrants, most notably the very large Mexican and Central America populations in the U.S., Bolivians educational levels are much higher. For all immigrants the ability to learn and speak English was a critical factor for individual success, whether as a restaurant owner, a daycare provider or a taxi cab driver.

Even though many Ethiopian and Bolivian immigrants have relatively high human capital, they often experienced blocked mobility in the United States as their educational degrees were usually not recognized. Their choices were to accept jobs that were beneath their skill levels (physicians who become low-skilled hospital staff or architects who find construction jobs), return to school to gain an American degree, get recertified in their profession or turn to entrepreneurship. Many chose the last option. Some with professional degrees turned to self employment because it promised greater chances of upward socioeconomic mobility; others became entrepreneurs out of necessity and still others, to fulfill their dreams of owning their own business (Focus groups). Levels of self-employment among Ethiopians are similar to those of the general population in Metropolitan Washington (at 5.5%) whereas Bolivians have a higher self-employment rate at 8% (U.S. Census Bureau, 2007).

Finally, in the case of Bolivians, it should be stressed that foreign labor migration is an accepted approach to deal with economic uncertainty in one of South America's poorest countries. As employment in other South American countries such as Argentina became less reliable in the 1980s and 1990s, Bolivians began to seek new destinations, including the U.S., Spain and Israel. Because of the high rate of emigration from Bolivia to different destinations, Bolivians have considerable organizational experience in forming transnational networks to stay connected with their places of origin and with each other in new destinations. In the Bolivian case, therefore, experience with emigration to a variety of different settings is an important group characteristic.

Group Strategies

The group strategies employed by Bolivians and Ethiopian entrepreneurs include occupational, organizational and locational tactics that facilitate self-employment and the formation of small businesses. In terms of occupational

strategies, it is clear that both groups experience labor market segmentation, forming occupational niches so that they are over-represented in a particular industry or service (Waldinger, 1994, 2001). The growth of these occupational niches can be both a group strategy and a response to specific opportunity structures. This is especially true for small businesses that develop to serve a general clientele, and not the immigrant community *per se*. Such businesses tend to enter underserved or abandoned markets (small grocers or dry cleaners), markets of unstable demand (garment or construction businesses), or markets for exotic goods such as ethnic foods. These ethnic enterprises are also usually characterized by long working hours and relatively poor pay (Aldrich & Waldinger, 1990).

For Ethiopians, restaurants and taxi services have been important occupational niches. Ethiopian restaurants in Washington grew from family operations that cooked food at home and sold it to co-ethnics or informally catered for small Ethiopian gatherings and events. Today, Ethiopian restaurants reach a much wider clientele than just co-ethnics. A typical example is a woman from Addis Ababa, who had some college education and has been in the U.S. for 17 years. After working as a pastry chef in a major hotel in Washington, she opened her own café in the Shaw neighborhood of the District of Columbia where many other Ethiopian restaurants are located. All of her staff is either Ethiopian or Latino immigrants but her clientele is diverse and drawn from across the city.

Washington, DC is widely recognized as an area that has a large number of Ethiopian restaurants. Tourist guidebooks for the city and online resources recommend Ethiopian cuisine as one of the food specialties of the city. Ethiopian food is one of the top ethnic foods eaten by nonethnics in Washington and the clientele of many long established Ethiopian restaurants, such as Zed's in Georgetown and Meskerem in Adams Morgan is largely non-ethnic (Interviews with restaurant owners). Another common area of self-employment and entrepreneurship among Ethiopian immigrants is driving taxis. The ability to speak some English was a critical factor for those who took up taxi cab driving. Of over 4,800 cab drivers in Washington, DC, more than 1,200 hail from the Ethiopian community, indicating an occupational niche in this sector.

Ethiopian immigrants have moved into other business ventures as evident in the publication of the Ethiopian Yellow Pages, an annual directory of Ethiopian religious and social organizations and businesses. A burgeoning of Ethiopian realtors coincided with a greater desire by immigrants to own homes (often considered an indication of immigrant integration) and their intent to settle permanently in the U.S. To a large extent, Ethiopian realtors and travel agents cater to co-ethnics, although over time it is expected that they will increasingly draw their clientele from beyond the community.

For Bolivians, the dominant employment niches are construction and domestic services. Construction is an important occupational sector,

especially for young men who have recently arrived from Bolivia. Focus group participants confirmed this, emphasizing that, "construction is one of the professions in which people from the country have the most success." For the entrepreneurially inclined, construction-related employment provides experience that can lead to business opportunities. One Bolivian construction worker started a company specializing in commercial drywall installation. As the company grew, young Bolivians were added to the payroll, many coming from the same village as the owner. The importance of construction for young male immigrants was underscored in a survey of a Bolivian Soccer League in Northern Virginia in which 90% of the players worked in construction (Yarnall, 2008).

For Bolivian women, employment in housekeeping and childcare is a common niche. Domestic services are noted for their lack of regulation and informality. Yet in a metropolitan area that has one of the highest median incomes in the country and a very high-percentage of dual-income households, such services are regularly sought. Even in this sector there are entrepreneurs who have created house-cleaning services that employ co-ethnics to clean the homes of middle class clients. One such Bolivian owned company employs 40–50 women, most of whom are ethnic Bolivians. Several examples of women creating childcare facilities in their homes were also discussed in the focus group and in interviews.

Domestic services and construction are employment niches that Bolivians occupy that are also rigidly defined by gender. Yet many Bolivians have turned these relatively low-status jobs into business ventures that have helped to raise them to a middle class standing. Notably, both of these sectors serve the broader community rather than the ethnic community *per se*. Thus these businesses are examples of immigrant entrepreneurship rather than ethnic entrepreneurship. The importance of reaching beyond the ethnic market was underscored in the focus group:

All of us with businesses want to enter the American market. We may start working with Latinos or Bolivians but always with the mindset to enter the world of the Anglo-Americans, the natives, because we know this will pay better.

Formal and informal organizations exist in both immigrant communities that are vital in helping establish businesses, finding clientele and forging networks with other organizations. The availability of capital plays a critical role in determining a potential entrepreneur's ability to start his or her own business. Newly arrived immigrants often do not have sufficient capital or the collateral to qualify for credit from conventional banks. Besides, banks may be unwilling to lend to certain persons because of the high transaction costs involved in screening, monitoring and enforcing small loans. Ethiopians and Bolivians have long-relied upon traditional systems of rotating credit or

mutual assistance to secure capital. In these transactions, each member of the lending group periodically contributes a given amount of money to a larger pool, then the total amount is awarded to a member of the group on the basis of lottery, bid or need. Eventually each member of the group receives the same lump sum. In Ethiopia, such associations are called *ekub*. In Bolivia this practice is called *pasanaco*. Operating outside the formal economy, such practices draw on culturally enforced norms and trust among members so that individuals who have already received the pot of money will not default on payments before the end of a cycle. The value of the pooled resources varies, but for some groups it can be over \$10,000—enough cash to help a family member immigrate or to put a down payment on a home. All the Ethiopian and Bolivian focus group participants were familiar with rotating credit and had used it at some point. However, most relied upon savings or loans from family members to start up their businesses. Other informal associations exist to help immigrant and ethnic entrepreneurs in establishing businesses and navigating various bureaucratic steps either through on-line communications or periodic meetings.

Formal immigrant organizations are also important for entrepreneurship. The Ethiopian Community Development Council, an organization based in Arlington, Virginia has initiated the Enterprise Development Group, specializing in small loans to a region-wide population of refugees, immigrants and others with business ambitions but limited access to traditional sources of capital. Bolivian entrepreneurs have reached out to national Hispanic organizations for support and education about how to set up businesses and identify existing opportunities. There is a Bolivian-American Chamber of Commerce in Washington, DC that brings together some members in the business community but it has not been effective in fostering Bolivian businesses in the region.

Locational factors, such as the preference Ethiopians and Bolivians show for this metropolitan region as well as the particular places they establish their businesses, are considered part of group strategies. Metropolitan Washington is the primary destination in the United States for both Ethiopians and Bolivians. Although each group makes up just 3% of the foreign-born population of the metropolis, they are both top-ten sending countries to the region. The residential patterns of Ethiopians and Bolivians within the region indicate heterolocal settlement with scattered and limited co-location of national groups, although their businesses demonstrate greater clustering (Zelinsky & Lee, 1998). Ethnic Ethiopian businesses form distinct assemblages in the Adams Morgan and U Street areas of the District of Columbia, but also in the suburban areas of Silver Spring and Takoma Park in Maryland and Alexandria and Columbia Pike in Virginia, all areas of relative residential concentration of this population group (Chacko, 2003; Chacko, 2008). Among the first Ethiopian ethnic businesses in the Washington metropolitan area were convenience stores and restaurants, many of them located close to

16th Street, NW in Washington, DC. More recently, Ethiopians have entered into the real estate, travel and insurance sectors.

Bolivian ethnic enterprises that cater to the needs and wants of the ethnic community exist, but they lack the concentration and visibility of Ethiopian businesses. There are a handful of Bolivian restaurants in the Washington region that largely serve the ethnic community, with limited general crossover. Similarly, there are travel agencies, specialty food shops, and journalistic ventures that serve Bolivians, as well as the larger Latino population in Washington. Among the larger businesses, usually owned and run by well-educated Bolivian entrepreneurs who have lived in the region for several decades are a firm that develops software for financing and telecommunications and one that specializes in electronic security and technology. Both these companies are based in Northern Virginia, have benefited from receiving federal contracts, and clearly serve a wider clientele than just co-ethnics.

In focus groups, Ethiopians and Bolivians were asked to mark on a map where members of each community resided in the metropolitan area, as well to identify good potential locations for their businesses in the region (Figures 1 and 2). Ethiopian immigrants showed an excellent understanding of Ethiopian residential settlement patterns that mirrored the actual distribution shown in Figure 1 based on 2000 U.S. Census data. While Ethiopians settle in inner and outer suburbs throughout the greater metropolitan area, their preferred areas for business investment are in the urban core of Washington DC (including the inner suburbs in Virginia and Maryland) as well as the city of Baltimore. Although Ethiopian business people may have been initially both immigrant and ethnic entrepreneurs, the concentration of ideal business locations in urban centers, not always near where they reside, suggest that currently their businesses are targeting a wider population. When the Bolivians were asked where the best prospective business opportunity sites were, they uniformly focused on areas where Bolivians or other Latinos are concentrated (Figure 2), suggesting that, despite the services they provide to the general population, they were inclined to invest in areas with a strong Latino/Bolivian presence. Most of the areas of investment were in the inner suburbs of Virginia and a couple of areas in Washington DC near the Mt. Pleasant neighborhood, which has a large Latino community. Interestingly, they also labeled Manassas in Prince William County as an area for investment, but this was done right before the county began its crackdown on illegal residents in the summer of 2007, an action that is widely believed to negatively impact Latino investment in Manassas.

CONCLUSION

Metropolitan Washington, with over one million foreign-born residents, exhibits a diverse and growing mix of urban and suburban immigrant settlement and entrepreneurship. However, the region lacks the traditional pattern

of ethnic enclaves in the urban core as seen in older cities of immigration such as New York and Chicago. Instead, immigrant newcomers are far more likely to settle in the inner and outer suburbs, a pattern seen in other new destination cities. Since Washington's immigrant flow is relatively new, we are able to trace and compare the evolution of occupational, organizational and locational strategies employed by immigrant entrepreneurs over the past three decades.

Our findings show that both Bolivians and Ethiopians enter into entrepreneurial activities due more to experiences of blocked mobility and labor market segmentation than ethnic enclave formation. That said, the relative size and significance of these immigrant groups in Washington has stimulated the formation of businesses (restaurants, markets, travel agencies, money transfer operations) that cater to the needs of the ethnic community. In the process of experiencing blocked mobility, Bolivians and Ethiopians steadily entered into businesses that directed them towards ethnic entrepreneurship. But business owners also reached beyond the ethnic community. By creating companies engaged in construction, transportation or childcare, they provided high-demand services to the 'native' market. The focus group participants regarded such a strategy as highly desirable. Yet both groups continue to court the 'ethnic economy' and initial business ventures tend to focus upon business opportunities provided by co-ethnics. It is evident that both groups use strategies of *immigrant* as well as *ethnic entrepreneurship* to establish and grow their businesses, a varied approach that is likely to continue.

The spatial strategies of these groups are distinct from those presented in the ethnic enclave literature. Bolivians and Ethiopians are dispersed throughout the metropolitan area but they typically reside in the close-by suburbs of Virginia and Maryland. Bolivians have a clear preference for suburban Virginia, while Ethiopians are in the close-in suburbs as well as the central city. Rather than settling among co-ethnics, both of these groups reside in areas popular with a diverse range of immigrants in general.

When asked where potential investment areas were, Ethiopians focused on the urban core of Washington, DC and even downtown Baltimore, showing a clear preference for downtown business locations even though this is not where Ethiopians generally settle. Bolivians, on the other hand, saw the most potential in areas where Bolivians are concentrated, especially in suburban Virginia. Both groups saw the importance of business opportunities that serve the larger population. Ethiopian potential business strategies showed a desire to create businesses in the urban core—where a strong African American presence exists. Bolivians, by contrast, focused on business opportunities closer to where a larger ethnic Latino community resides in suburban Virginia. In terms of strategic visions, therefore, the Ethiopians tended towards the immigrant entrepreneur model whereas Bolivians appeared more like ethnic entrepreneurs.

The local contexts of reception in a gateway city such as Washington, and immigrants' experience of mixed embeddedness at scales varying from the neighborhood to the metropolis, shed light on the trajectories of immigrant-led entrepreneurship. Ethiopian and Bolivian entrepreneurs in the region exemplify the importance of fusing concrete (social networks) and abstract (politico-institutional environment) embeddedness to create successful businesses. Immigrant entrepreneurs from both groups tend to utilize familial and social ties in establishing and running businesses, demonstrating their concrete embeddedness in such networks. Immigrant-focused organizations and institutions are active sites of social networking and assistance for both Ethiopians and Bolivians. While not explicitly aimed towards helping entrepreneurs, social groups indirectly buttress the ethnic economy and provide channels for information exchange that help both immigrant and ethnic entrepreneurs. For example, a hometown association meeting can become an opportunity for a business owner to hire workers or promote a product. Yet both immigrant communities studied here expressed some frustration during focus groups that more formalized channels of support and information about the paths to business ownership were lacking (Bolivians) or limited (Ethiopians).

The experience of Ethiopians in the District of Columbia and that of Bolivians in Arlington, Virginia also provide important examples of abstract embeddedness. In both these localities, the immigrant groups concerned made local contacts that have improved their social, economic and political standing and offered them potential business opportunities that might not be available to them in a climate of anti-immigrant backlash in some parts of the metropolitan area. The ability for Ethiopians and Bolivians to forge political alliances in particular jurisdictions is a clear expression of mixed embeddedness within a metropolitan area. It also demonstrates that mixed embeddedness is mutually constituted from the actions of immigrants themselves as well as those of local officials and institutions. Especially in a relatively new destination such as Washington, the experiences of Bolivians and Ethiopians demonstrate that groups not traditionally known for entrepreneurship may become entrepreneurs due to the opportunity structures presented in the metropolitan area as a whole and through a combination of institutional and community structures fostered in local jurisdictions. The concept of mixed embeddedness provides a conceptual lens for focusing on the relative importance of different scales of governance, as well as the influence of social and ethnic networks within a particular immigrant community, that affect immigrant entrepreneurship and integration.

NOTES

1. Scholars often use the term "ethnic entrepreneur" to refer to native-born minorities and ethnic groups that engage in entrepreneurship, whereas "immigrant entrepreneurs" are exclusively foreign-born.

In this research, however, we use these terms interchangeably when discussing Bolivians and Ethiopians because they are often both ethnic and immigrant entrepreneurs.

2. The population outflow from Ethiopia and Bolivia to the U.S. was facilitated by favorable immigration legislation such as the 1965 Immigration and Naturalization Act, the 1980 Refugee Act, and the Immigration Act of 1990, but also social, economic and political turmoil in the home countries.

3. Based on U.S. Census data on people reporting Bolivian ancestry in the 2000 census, 96% had high school diplomas, 36% had bachelor's degrees or higher, and 11% had Master's degrees or higher; each of these levels exceeded U.S. averages for educational attainment (U.S. Census, 2000).

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